

**Shoreline Wine Merchant, Inc.**

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My name is Anthony Pinto. I am a resident of Guilford and have been a liquor retailer since 1981 in the State of Connecticut. I am here to testify against Senate Bill #14.

At this time, cost is defined as what my supplier charges for a bottle purchase, also known as minimum bottle or wholesale bottle charge. This allows me the opportunity to purchase many slower moving items by the bottle. This offers me the opportunity to offer a vast selection to my customers, which would not happen if this bill is enacted. As I would have to only carry items that I could buy by the case so that I could have competitive pricing. Please realize, that I am not a small mom and pop store, I employ four employees and have been successful for over 30 years in what I do, providing my customers a vast selection of wines, beers and liquor at fair prices. Having a transient summer crowd, I am well aware of pricing of alcoholic beverages in other states as we constantly check pricing on wine-searcher.com, and look at liquor retailer's websites, and I find that we are very close in pricing on many items. Yes, we are not lower, but I think we are very competitive, especially since we have a high excise tax compared to other states, along with higher petroleum costs which relates to higher transportation costs for my wholesalers which again relates to a higher wholesale case price.

Gov. Malloy has stated that this change will produce \$1.6 million in additional tax revenue. I strongly disagree with this analysis, in fact I think the opposite will happen. If prices dropped an overall of 10%, consumption would have to increase over 12% to make up for lost revenue from sales and excise tax. When Sunday sales were enacted in Connecticut, the Governor's budget office projected a 14% increase in business, when in fact the industry returned a modest 3% increase. I am not sure how many stores would close if these changes took place, but even if it is one store, it is one too many.

The Governor has stated that this is a consumer issue. If that is the case, let's eliminate sales tax on alcoholic beverages; reduce our gas tax to be competitive with the state of Rhode Island and Massachusetts. That would really be consumer-friendly, but I know that our state cannot afford to do this in our current fiscal state.

Another concern with this bill is that as written, it is non-enforceable. It would be very hard to prove what my actual cost paid per bottle as wholesale prices change on a monthly basis. The Department of Consumer Protection would have a difficult time trying to enforce this regulation, in an already over regulated industry.

Respectfully submitted,

  
Anthony Pinto

President